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Pet 6 Libya 003406 xR Pet 3 OPEC

Classification

Department of State

TELEGRAM [redacted]

EXCISE

INDICATE:
☐ COLLECT
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ACTION: Amembassy TRIPOLI ~~EXMO~~ PRIORITY
LONDON

INFO: ~~Amembassy~~ Amembassy TEHRAN
LIMDIS

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY CJ DATE 6/18/81
PORTIONS DENIED AS INDICATED

1. [redacted] informed Trezise this morning that Occidental group, headed by Nicholas Bailey, is on its way to Tripoli for discussions with GOL January 9. Bailey is not rpt not empowered to negotiate but only to listen to demands and report to Occidental headquarters. B4

2. Trezise reviewed negotiations of last fall and position Dept had taken with other companies then. He said situation completely different now; companies are faced with united OPEC and fear constantly spiralling price increases over indefinite future. Governments of consuming countries also most disturbed. [redacted] B1 the companies, the consumers and the USG hoped that companies would not be picked off one by one but some longer term arrangement or agreement could be reached.

(4)

DRAFTED BY:	DRAFTING DATE	TEL. EXT.	APPROVED BY:
E:ORF:FSE:JEAkins:wz	1/8/71	20536	E - Philip H. Trezise

CLEARANCES:
AF/N - Mr. Blake EUR/RPE - Mr. Shaw NEA - Mr. ~~Mattes~~ Dowell

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ACTION: 2

3. [redacted] Occidental's position was not similar to that of majors; it had production only in Libya. [redacted] If they now wanted Occidental to stand firm, he said, they could make some arrangement to protect it.

4. Comment: We understand [redacted] made an offer to Occidental to "share the burden" [redacted] Other American companies favorably considering some rescue mission but have not been able to work out details. Embassy London should pass this information on ~~Consortix~~ Consortium companies.

GP-3.

IRWIN

END.

DRAFTED BY:	DRAFTING DATE	TEL. EXT.	APPROVED BY:

CLEARANCES:

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